



Virginia Retirement System Implementation of New Pension Standards

**Virginia Government
Finance Officers Association
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VRS Implementation Plans



- Implement GASB 67 effective June 30, 2014
- Develop separate data for each Plan
 - VRS – State, Teacher, and each locality
 - SPORS
 - JRS
 - VaLORS
- Use June 30, 2013 actuarial data “rolled forward” to June 30, 2014
 - Project liabilities based on June 30, 2013 actual
 - Use June 30, 2014 actual asset value

- Single Employer Plans
 - VRS – State employees
 - State Police Officers' Retirement Plan
 - Judicial Retirement Plan
 - Virginia Law Officers' Retirement Plan
- Cost-Sharing Multiple-Employer Plans
 - VRS – Teachers
- Agent Multiple-Employer Plans
 - VRS – Individual political subdivision plans

Single & Agent Multiple-Employer Plans



- Determine each plan's Net Pension Liability
- Determine the various components of the change in Net Pension Liability for each plan
- Develop a process for determining “proportionate share” for component units
 - Certain non-state and other agencies in the state employee group as well as institutions higher education
 - Certain local government employers reporting separate entities under the central government (regional library, jail, etc.)

Cost-Sharing Multiple-Employer Plans



- Determine the GASB-required information for the pool
- Determine each school system's "proportionate share" (this will be based on contributions)
- Compute each school division's Net Pension Liability
- Determine the impact of the change in "proportionate share" between periods
- Allocate the various components of the change in Net Pension Liability for each school division

- Insure that Actuarial Valuation reports have the necessary plan and valuation information for employer reporting
 - Evaluate required disclosures needed by employers
 - Verify the projected cash flows to insure adequacy of funding
 - Provide detailed information to compute pension expense
- Develop a process for the allocation and reporting of Actuarial Valuation data for multiple-employer cost-sharing pools (teachers)
 - Allocation will be based on contributions

- Develop a process for the allocation and reporting of Actuarial Valuation data for the state employee groups that issue separate financial reports
- Work with the Auditor of Public Accounts to provide a way to make usable information available to external auditors in a timely manner
 - Prepare a separate report on actuarial data, allocations, etc.
 - Update VRS-provided pension disclosure guidance
 - Update information in APA's Uniform Financial Reporting Manual and Local Audit Specifications

- Develop and present employer training to assist employers with their implementation
 - Webinars
 - Presentations to professional organizations
 - Sample statement and note disclosure
- Work with the Auditor of Public Accounts to access other firms auditing VRS pension plans and communicate with them
 - Confirm adequacy and timing of planned reporting
 - Confirm reliance on APA assertions
- Prepare for similar changes for OPEBs



Questions?

Thank you